

## IN THE SPECIFICATION

The specification as amended below with replacement paragraphs shows added text with underlining and deleted text with ~~striketrough~~.

Please REPLACE paragraph 55 with the following paragraph 55:

[0055] The overall system (hereafter referred to as Universal Pervasive Transaction Framework, or UPTF) includes: (a) a variety of consumer or customer devices 102, called Universal Pervasive Transaction Devices 102 (UPTD 102) that are enabled by, and can be deployed within, the UPTF framework, for initiating requests for financial transactions relating to the purchasing of goods and services by consumers (b) a merchant device 104 for making goods and services available to consumers that own and operate the consumer devices 102 at the merchant's location, (c) a security framework and associated protocols for initiating transaction requests from the consumer 102 and merchant devices 104 and deciding the validity of the requests, (d) a system architecture for processing the partial transaction requests and initiating transaction execution with financial institutions, and (e) methods for purchasing various kinds of goods and services with the devices 102, using the transactions, security framework and protocols.

Please REPLACE paragraph 57 with the following paragraph 57:

[0057] Benefits of the present invention over existing methods include: (a) a more secure payment method over existing and currently deployed methods, such as credit cards and smartcards, thus reducing credit card fraud and minimizing merchant's risk of fraudulent transaction, (b) a faster transaction cycle thanks to minimizing the customer's interaction with physical entities of existing Point of Sale systems (POS), i.e., cashier operators and swiping devices, and transaction parallelization, (c) enhanced customer convenience thanks to the ability to use any of multiple payment methods (bank cards, credit cards, etc.) while carrying a single device ~~442~~102, memorizing a single PIN, and eliminating the signature process, and (d) increased ability to process multiple customer transactions concurrently for merchants.

Please REPLACE paragraph 58 with the following paragraph 58:

[0058] Business models and methods for creating revenue from the deployment of such a system of the present invention are also presented, advocating a fee-per-transaction revenue stream. Additional potential revenue streams include the manufacturing and distribution of the handheld device 442102, licensing of the technology and design of the handheld device 442102, manufacturing and distribution of the merchant-owned device 402104, licensing of the technology and design of the merchant device 104, and providing integration services for Point of Sale systems.

Please REPLACE paragraph 61 with the following paragraph 61:

[0061] Figure 2 is a diagram of the UPTF system showing ~~shows~~ a Merchant Transaction Server with all of its components in the same computing device 402 ~~which is~~ and located in the physical store.

[0062] Figure 3 is a diagram of the UPTF system showing ~~shows~~ a MTS 104 as a local MTS 105 with only the Access Points and the DHCP server in the same computing device ~~402~~, in the store's physical location 132 and the remaining MTS 104 components as a remote MTS 136 located in another computing device ~~404~~, located in another physical location 138 which is accessible by the MTS 104 (local) over the internet.

Please REPLACE paragraph 63 with the following paragraph 63:

[0063] Figure 4 is a diagram of a UPTF system showing ~~shows~~ the MTS ~~404~~105 (remote) located in a computing device ~~404~~ that is different than that of the MTS ~~404~~136 (local) but both are physically located in the same physical store location 132.

Please REPLACE paragraph 64 with the following paragraph 64:

[0064] Figure 5 is a diagram of a UPTF system showing ~~shows~~ an example of multiple MTS~~MTSs~~ 104 deployed.

Please REPLACE paragraph 65 with the following paragraph 65:

[0065] Figure 6 ~~is a diagram of a UPTF system showing~~shows an example of multiple ~~MTS~~MTSs 104 deployed, sharing the Access Point infrastructure, as in a hotspot deployment.

Please REPLACE paragraph 128 with the following paragraph 128:

[00128] Figure 4 shows the MTS 104 ~~(remote)~~as a remote MTS 136 is located in a computing device 102 ~~that is different than that of the MTS 104 (local)~~as a local MTS 105 but both are physically located in the same physical store location 132 and coupled to each other through pathway 140.

Please REPLACE paragraph 574 with the following paragraph 574:

[00574] The Agreement Verification Module ~~412~~1112 may be physically implemented on the AVP, together with the authentication processing implementations. Alternatively, the verification process can be implemented on a different device but able to communicate with the other modules in the AVP through a reliable and secure communication channel.